**CLAIM AMENDMENTS**

1-17. (cancelled)

18. (currently amended) A method of improving drug solubility by processing said drug into a surfactant-coated micro and nano-particulate form, the steps comprising:

melting a sufficient amount of a drug in a molten surfactant miscible with said drug, to form a drug-surfactant mixture;

heating the mixture to a temperature above said mixtures melting temperature, and below said drug's decomposition temperature until a clear mixture is formed; and

cooling the mixture to approximately room temperature while continuously mixing under high shear in order to maximize precipitation of drug particles coated with said surfactant and having a greater rate [i]of dissolution than pure unprocessed drug.

19. (canceled)

20. (canceled)

21. (previously presented) The method of claim 20, wherein said drug is micronized prior to adding to said surfactant.

22. (previously presented) The method of claim 18, wherein said drug is selected from the group consisting of: analgesics, anti-inflammatory agents, anthelmintics, anti-arrhythmic agents, antibiotics, anticoagulants, antidepressants, antidiabetic agents, antiepileptics, antihistamines, antihypertensive agents, antimuscarinic agents, antimycobacterial agents, antineoplastic agents, immunosuppressants, antithyroid agents, antiviral agents, anxiolytic sedatives, astringents, beta-adrenoceptor blocking agents, blood products and substitutes, cardiac inotropic agents, contrast media, corticosteroids, cough suppressants, diagnostic agents, diagnostic imaging agents, diuretics, dopaminergics, haemostatics, immunological agents, lipid regulating agents, muscle relaxants,

parasympathomimetics, parathyroid calcitonin and biphosphonates, prostaglandins, radio-pharmaceuticals, sex hormones, anti-allergic agents, stimulants and anoretics, sympathomimetics, thyroid agents, vasodilators, xanthines, and mixtures thereof.

23. (original) The method of claim 18, wherein said surfactant is an organic excipient.

24. (previously presented) The method of claim 23, wherein said excipient is selected from the group consisting of, gelatin, casein, gum acacia, cholesterol, tragacanth, stearic acid, benzalkonium chloride, calcium stearate, glyceryl monostearate, cetostearl alcohol, cetomacrogol emulsifying wax, sorbitan esters, polyoxyethylene alkyl ethers, macrogol ethers, polyoxyethylene castor oil derivatives, polyoxyethylene sorbitan fatty acid esters, polyethylene glycols, polyoxyethylene stearates, colloidal silicon dioxide, phosphates, sodium dodecylsulfate, carboxymethylcellulose calcium, carboxymethylcellulose sodium, methylcellulose, hydroxyethylcellulose, hydroxypropylcellulose, hydroxypropylmethycellulose phthalate, noncrystalline cellulose, magnesium aluminum silicate, triethanolamine, polyvinyl alcohol, and polyvinylpyrrolidone, polyvinyl alcohol, polyvinyl pyrrolidone, dextran, lecithin, polyvinylpyrrolidone, and organic solvent.

25. (original) The method of claim 18, wherein said surfactant is nonionic or anionic.

26. (original) The method of claim 18, wherein said drug is used in a pharmaceutically acceptable carrier.

27. (original) The method of claim 26, wherein said pharmaceutically acceptable carrier is selected from the group consisting of diluents, binders, adhesives, lubricants, plasticizers, disintegrants, colorants, bulking substances, flavorings, sweeteners, buffers, and absorbents.

28. (original) The method of claim 27, wherein said binder is selected from the group consisting of hydroxypropylmethylcellulose, ethylcellulose, povidone, acrylic, methacrylic acid co-polymers, pharmaceutical glaze, gums, and milk derivatives.

29. (canceled)

30. (previously presented) The method of claim 18, wherein said particles have a size of less than 5 microns.

31. (previously presented) The method of claim 18, wherein said particles have a size of less than 400 nm.

32. (previously presented) The method of claim 18, wherein said particles have a size of less than 250 nm.

33. (previously presented) The method of claim 18, wherein the average particle size is less than about 100 nm.

34. (previously presented) The method of claim 18, wherein the average particle size is less than about 250 nm.

35. (previously presented) The method of claim 18, wherein at least 50% of said particles have a size of less than 5 microns.

36. (previously presented) The method of claim 18, wherein at least 75% of said particles have a size of less than 5 microns.

37. (canceled)

38. (previously presented) The micro or nano-particulate drug composition prepared according to the method of claim 18.